



California Multiple Award Schedule (CMAS)

Bulletin 34

July 2002

This bulletin supercedes Bulletin 33. The changes are highlighted in bold.

Executive Order D-55-02 and Management Memo 02-12

This bulletin serves to clarify interim guidelines that apply to the CMAS program and does not take precedent over Executive Order D-55-02 and Management Memo 02-12. This bulletin must be reviewed carefully by all state agencies.

All of these documents can be found on the Department of General Services (DGS), Procurement Division (PD) web site: www.dgs.ca.gov/pd.

Exempt Entities

Local government entities are exempt from Executive Order D-55-02 and Management Memo 02-12, but are subject to their own respective local government laws and procedures. A local government is any city, county, city and county, district, or other local governmental body or corporation, **including the California State University (CSU) and University of California (UC) systems**, K -12 schools and community colleges, empowered to expend public funds.

Exempt Categories

Attachment D to Management Memo 02-12, Addendum 1, is available on the DGS PD web site at www.dgs.ca.gov/pd. Attachment D identifies categories that are exempt from Management Memo 02-12 pursuant to State Administrative Manual Section (SAM) 1233. Attachment D is a modified listing, and there are certain constraints placed on the use of these categories.

Not Specifically Priced (NSP) Items

The Not Specifically Priced (NSP) Items provision enables the agency to include in the purchase order non-contract products and services that are subordinate and peripheral to the order items. See CMAS Agency Information Packet, Section 12, for applicable parameters. The cost of the NSP item(s) is included in the order limits.

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New Order Limits and Minimum Solicitation Procedures

**(\$100,000 or
Less)**

CMAS Purchases \$100,000 or Less for Information Technology (IT) Goods and Services, Commodities (Non-IT Products) and Non-Information Technology Services:

- State agencies must solicit and obtain offers from 3 suppliers* including 1 small business if available to make a best value determination. This is not a competitive bid transaction so small business preference, protest language, intents to award, evaluation criteria, advertising, etc. are not applicable
- If less than 3 offers received, document files with solicitation method used.

***If the products or services being procured are available only from one source, the agency is required to follow the non-competitive bid process outlined in Management Memo 02-12, Addendum 1, and not use the CMAS process outlined above.**

New Order Limits and Minimum Solicitation Procedures

**(Greater than
\$100,000)**

CMAS Purchases Greater than \$100,000 for Information Technology (IT) Good and Services and Non-Information Technology Services:

Approval of state agency purchase orders exceeding \$100,000, as covered by the Executive Order, must contain documentation of facts that support the existence of the applicable criteria outlined in Management Memo 02-12, ATTACHMENT C, #4.

In addition, the following is required for state agency CMAS purchase orders for information technology goods and services greater than \$100,000 to \$500,000 and non-information technology services greater than \$100,000 to \$250,000:

- State agencies must solicit and obtain offers from 3 suppliers* including 1 small business if available to make a best value determination. This is not a competitive bid transaction so small business preference, protest language, intents to award, evaluation criteria, advertising, etc. are not applicable.
 - If less than 3 offers received, documentation of solicitation method used must be included with contract reporting to DGS/PD. State agencies must use the **Notice of Contract Award** (www.dgs.ca.gov/pd) and include purchase orders and attachments as applicable.
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New Order Limits and Minimum Solicitation Procedures (Continued)

- Approval required **for each transaction** by Department Director **AND Agency Secretary** or next highest-ranking official below the Director **AND Agency Secretary**. **For departments or other entities not reporting to an Agency Secretary, approval authority is limited to the highest two ranking executive officials.**
- No exemptions to the above limits will be considered.

(Greater than \$100,000)

***If the products or services being procured are available only from one source, the agency is required to follow the non-competitive bid process outlined in Management Memo 02-12, Addendum 1, and not use the CMAS process outlined above.**

Commodity Limits

Purchase orders for commodities are limited to \$100,000. No exceptions.

Commodities and Non-IT Services Combined

Purchase orders that combine both commodities and non-IT services are limited to \$100,000 in total for all products and services combined with guidelines applicable for whatever constitutes the majority of the transaction.

Non-IT Services Over \$35,000 Require DGS/PD Approval

DGS/PD review and approval is required for non-information technology services orders greater than \$35,000 (limit reduced from \$50,000). State agencies must send purchase orders that exceed \$35,000 to the Department of General Services, Procurement Division, Contract Negotiations Unit, 707 Third Street, Second Floor, West Sacramento, CA 95605 (IMS #Z-1).

DGS/PD Reporting Requirements

All state agency purchase orders exceeding \$100,000 must be reported to DGS/PD within 5 days of contract execution. State agencies must use the **Notice of Contract Award** (www.dgs.ca.gov/pd) and include purchase orders and attachments as applicable. **Submit to the address as indicated on the Notice of Contract Award.**

Excluded from Dollar Limits

Tax, **freight** and finance charges (if applicable) are excluded from the dollar limits.

Amendments

When amending an existing purchase order, the cost of the existing purchase order and the amendment combined exceeds \$100,000 total, the combined transaction is subject to the MM 02-12 Interim Guidelines as applicable.

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**Contract
Changes**

DGS/PD approval is required for changes to model contract terms and conditions. State agencies must send requests for changes to model contract terms and conditions to the Department of General Services, Procurement Division, Contract Negotiations Unit, 707 Third Street, Second Floor, West Sacramento, CA 95605 (IMS #Z-1).

**Failure to
Comply**

Failure to comply with the requirements of CMAS Bulletin **34** and Management Memo 02-12 will result in the loss of delegated purchasing authority.

**DGS Contacts
for Questions**

Additional information regarding the Executive Order and Interim Guidelines (and potential changes to the interim guidelines) will be published on the Procurement Division web site (www.dgs.ca.gov/pd) as it becomes available.

Also, available on our web site is a FAQ (Frequently Asked Questions) section that addresses common inquiries regarding the application of the Executive Order and Interim Guidelines.

Questions regarding the Interim Guidelines may be forwarded to:

Marnell Voss, Manager
Business Development Unit
e-mail: marnell.voss@dgs.ca.gov



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